

ND ASSOCIATION OF COUNTIES

State Investment Board

Balance Sheet

As of 8/31/2008

	As of <u>8-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 470,443	\$ 451,813
INTERNATIONAL EQUITIES	143,624	142,595
DOMESTIC FIXED INCOME	444,162	470,681
INVESTED CASH (NOTE 1)	<u>56,126</u>	<u>58,779</u>
 TOTAL INVESTMENTS	 1,114,355	 1,123,868
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>1,251</u>	<u>880</u>
 TOTAL RECEIVABLES	 1,251	 880
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	28,528	28,528
 TOTAL ASSETS	<u>\$ 1,144,134</u>	<u>\$ 1,153,276</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	28,528	28,528
INVESTMENT EXPENSE PAYABLE	<u>1,689</u>	<u>1,922</u>
 TOTAL LIABILITIES	 30,217	 30,450
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,122,826	1,216,882
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(8,909)</u>	<u>(94,056)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,113,917</u>	 <u>1,122,826</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,144,134</u>	 <u>\$ 1,153,276</u>

ND ASSOCIATION OF COUNTIES

State Investment Board Profit and Loss Statement For the Month Ended 8/31/2008

	Month Ended <u>8-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,171	\$ 6,165
SECURITIES LENDING INCOME	70	139
	<u>3,241</u>	<u>6,304</u>
 GAIN ON SALE OF INVESTMENTS	 21,102	 39,357
LOSS ON SALE OF INVESTMENTS	<u>20,509</u>	<u>41,848</u>
 NET GAINS (LOSSES) INVESTMENTS	 593	 (2,491)
 INVESTMENT EXPENSES	 340	 1,679
SECURITIES LENDING EXPENSES	44	86
 NET INVESTMENT INCOME	 3,450	 2,048
 NET APPREC (DEPREC) MARKET VALUE	 565	 (11,037)
MISCELLANEOUS INCOME/(EXPENSE)	<u>87</u>	<u>80</u>
 TOTAL INVESTMENT INCOME	 <u>4,102</u>	 <u>(8,909)</u>
 NET INCREASE (DECREASE)	 <u>\$ 4,102</u>	 <u>\$ (8,909)</u>

ND ASSOCIATION OF COUNTIES
Notes To Financial Statements
August 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.